



The Pizza Times

Volume Two, Issue Three

October 1982

FULL SPEED AHEAD

Second Annual Convention Opens in Hawaii

Pizza Time Theatre's second annual convention opens Friday, October 1 in Maui, Hawaii. The theme for the four-day meeting is "Full Speed Ahead." Chuck E. Cheese, as host of the convention, appears in skipper's costume, both on the convention logo and, in person, at various activities.

About 500 franchise owners, corporate employees, and vendors plan to attend the meeting held at the 720-room Marriott Hotel on Kaanapali Beach.



The convention kicks off with an opening reception Friday evening on the poolside patio. Saturday's

program begins with a breakfast followed by the opening general session which includes the "Full Speed Ahead" show, introduction of the 1983 marketing plan, and a presentation of the new advertising campaign by Cunningham and Walsh Advertising Agency. Executive Vice President John Scott, President Joe Keenan, and Chairman Nolan Bushnell will also speak at the morning session. Regional Franchise Advisory Council meetings conclude the morning activities.

New innovations including children's games, Cyberamics, kiddie rides and more will be displayed on video tape at Chuck E. Cheese's new products expo on Saturday afternoon, Sunday morning and Monday afternoon.

Festivities Saturday evening include a luau complete with a traditional pig roasting ceremony, and a Polynesian review.

Sunday's buffet breakfast is followed by panel workshops on real estate, multi-unit management development, multi-unit controls and promotional coordinators. A vendor information exhibit will be open during the afternoon and early evening.

Monday opens with a buffet breakfast followed by panel workshops on games, customer service, local marketing concepts, and the materials movement control system. All workshops will be recorded and copies of the transcripts will be available to franchise owners after the convention.

The closing gala ceremony Monday evening includes the presentation of the annual Chuck E. Awards and a musical review by the Pizza Time Singers and Dancers.

For spouses attending the convention, there will be a fashion show luncheon on Saturday featuring historic Hawaiian costumes through contemporary fashions. Kaanapali Beach offers swimming, sailing, snorkeling and shopping in nearby Whalers Village. Shuttle buses from the hotel to Lahaina, the historic whaling town, run regularly. Reservations for tennis and golf may be arranged at the Pizza Time hospitality desk.



Convention Schedule



Friday, October 1, 1982

¹Welcoming Reception (Poolside) 7:00 p.m.

Saturday, October 2, 1982

³Breakfast (Kaanapali Ballroom) 7:30 a.m.

³Opening General Session "Marketing 1983" 8:30 a.m.

⁴Regional Franchise Council Meetings 11:00 a.m. - 2:00 p.m.

- East (Salon I)
- Far West (Salon II)
- Midwest (Salon III)
- Southwest/Mountain (Salon IV)
- Southeast (Salon X)

²Fashion Show Luncheon (Makai Gardens) 11:30 a.m.

"Hawaii's History-Making Women" 12:30 p.m.

³Chuck E. Cheese's New Product Expo (Presidential Suite 9014) 2:30 p.m. - 6:00 p.m.

¹Hospitality Hour (Poolside) 7:00 p.m.

Hawaiian Ceremony

¹Luau Dinner and Polynesian Review (Makai Gardens) 8:00 p.m.

Sunday, October 3, 1982

¹Buffet Breakfast (Poolside) 7:00 a.m.

³Chuck E. Cheese's New Product Expo (Presidential Suite 9014) 9:00 a.m. - 11:00 a.m.

³Panel Workshops 9:00 a.m. - 11:00 a.m.

Panel A Real Estate 9:00 a.m. - 11:00 a.m.

Panel B Multi-Unit Management Development 9:00 a.m. - 11:00 a.m.

Panel C Multi-Unit Controls 11:30 a.m. - 1:30 p.m.

Panel D Group Coordinators 11:30 a.m. - 1:30 p.m.

¹Vendor Information Exhibit (Kaanapali Ballroom) 2:30 p.m. - 7:30 p.m.

Monday, October 4, 1982

³Buffet Breakfast (Poolside) 7:00 a.m.

³Panel Workshops 9:00 a.m. - 11:00 a.m.

Panel E Games 9:00 a.m. - 11:00 a.m.

Panel F Customer Service 11:30 a.m. - 1:30 p.m.

Panel G Local Marketing Concepts 11:30 a.m. - 1:30 p.m.

Panel H Material Movement Control System 11:30 a.m. - 1:30 p.m.

³Chuck E. Cheese's New Product Expo (Presidential Suite 9014) 2:30 p.m. - 6:00 p.m.

³Hospitality Hour (Poolside) 7:00 p.m.

³Awards Dinner (Kaanapali Ballroom) 8:00 p.m.

Annual Chuck E. Awards Presentation

Pizza Time Theatre Singers and Dancers

¹All attendees invited.

²All Spouses invited

³Franchisee and corporate participation.

⁴Franchisee participation.

Judy Murphy Convention Coordinator



Judy Murphy with Commodore Chuck E.

This year's convention wouldn't have happened without a lot of hard work from many individuals, especially Pizza Time's franchise administrator and convention coordinator, Judy Murphy.

Judy started looking for a convention site in August, 1981, finally deciding on the then-uncompleted Maui Marriott. "It was the only one with enough room that was available," said Judy. "Many hotels were booked solid for several years." Another reason for picking the Marriott was that the employees were very cooperative, even allowing Pizza Time's new 25 foot inflatable Chuck E. Cheese to be displayed outside the convention area.

The biggest problem in "launching" the convention, especially since it was across the ocean, was taking care of the many organizational details, such as arranging for flowers, gifts, dinners, entertainment, lodging and meeting rooms.

To help Judy accomplish all this, a convention committee was formed consisting of Don Schulte and Ken Wagener coordinating the audio-visual production; Pat Saign, Bob Lundquist and Mike Hatcher in charge of the awards banquet and entertainment; and Don Marks, Jerry Pate and Sue Schaller on the awards committee.

The all-important finance committee had Sonya Carter, Linda Sako, Inda Trinwith and Mike Ullrich helping secure the funding for the convention. Daved Garza

helped with the graphics requirements, while Jack Nichols, Pizza Time's senior illustrator, created the distinctive commodore Chuck E. logos.

Gayle Osiek and Jane Johnson headed the hospitality committee. Jane also was in charge of the spouse program and Gayle coordinated the vendor information exhibit. Suzie Crocker handled public relations and came up with the theme "Full Speed Ahead." Bob Coltrane and Connie Steward coordinated the workshop and panel discussion activities. Ken Wagener scripted the emcees' presentations.



A very special contribution was made by the Wardrobe Department for the fantastic job creating the commodore and tourist costumes for Chuck E. The nautical outfit was designed by Janan Fairbairn with assistance by Jo Ellen Ervin. Tourist Chuck E. is the creation of wardrobe supervisors Kathy Hopp and Jul Kamen.

Despite the hectic responsibility of putting this year's convention together, Judy found the experience an exciting challenge. "Fortunately, all the convention committee people were very cooperative, talented and supportive."

Lawsuit Settlement Worth Estimated \$50 Million

Pizza Time Theatre, Inc. won an estimated \$50 million in the settlement of its two and a half year lawsuit with Brock Hotel Corporation and ShowBiz Pizza Place. The settlement, announced in June, calls for the granting of a license to Brock and the payment by Brock and ShowBiz of \$750,000 in a lump sum cash payment plus monthly percentage payments on the gross sales of the first 160 units of ShowBiz Pizza Place.

The percentage payments will

be paid at the rate of 1½% for the first six years, 1¾% for the next four years, and 2% for the next four years, for a total period of 14 years on each ShowBiz store.

ShowBiz Pizza Place currently has over 70 units in operation. If the 160 unit level is reached, it's estimated that Pizza Time will receive approximately \$300,000 per month from Brock. Pizza Time estimates that this settlement could be worth in excess of \$50 million over the next 14 years.

The settlement arises out of litigation begun in January 1980 when Pizza Time Theatre sued Brock (then known as Topeka Inn Management) for breach of its codevelopment agreement. Brock had agreed to go into the Pizza Time Theatre business as a co-developer in a 16-state exclusive territory covering the midwestern and southern United States.

Brock attempted to terminate the codevelopment agreement

and go into the same business as ShowBiz Pizza Place. When Brock gave notice of the termination, Pizza Time Theatre immediately filed suit.

In September 1981, a partial trial of the case was held in which it was determined that certain Brock defenses to this case would not be allowed. Thereafter, the parties entered into extensive negotiations which resulted in this settlement.

Pizza Times

The *Pizza Times* is published on a quarterly basis by Pizza Time Theatre, Inc. The purpose of the newspaper is to inform, to motivate, to serve as a public relations tool, and, perhaps most importantly, to provide two-way communications about events affecting PTT.

If you have story ideas or news for the paper, or would like a story assignment please contact Suzie Crocker, Communications Manager, 1213 Innsbruck Drive, Sunnyvale, California (408) 744-7371.

Photos to illustrate your news are always welcome. Please send good black and white photos or very high quality color prints—polaroids are not suitable for printing.



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Thank You To Our Convention Contributors

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COMPANY, INC.
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Chuck E.'s Challenge

Executive Vice President of Operations John Scott is in the process of challenging the managers of 40 corporate stores to reach mutually agreed upon sales volume figures within specified time periods. Those stores that reach their targets will be presented with special awards.

According to Scott, "This is an ongoing incentive program which had excellent results in the past. We're looking forward to seeing more stores meet their challenges with continued increases in store sales."

Good Ideas

Cynthia Scott, a costume character in the Jacksonville, Florida Pizza Time came up with an ingenious way to keep cool while wearing the furry suit. She designed a harness vest with freezer packs sewn across the front and back. The harness is kept in the freezer between wearings. According to Ron Sasko, general manager of the Jacksonville store, "The cooling efforts of the freezer packs help make the costume characters more comfortable in our hot climate."

Fifteen test harnesses have been made by Fantasy Forest in Victorville, California where all the Pizza Time walk-around costumes are designed and manufactured. The freezer harnesses are currently on trial in ten Florida stores and five southern California stores.

Harold Goldbranson, Director of Fantasy Forest, awarded Cynthia \$100 for her good idea. "The best ideas for the stores usually come from the employees and we want to encourage them to share their discoveries so that all the stores can benefit," notes Goldbranson.



AND THE WINNER IS... Ever wonder how Chuck E. Cheese's University got its name? Florida district director Jim Birch submitted the winning title in a "name the school" contest. For his creative endeavors, Chuck E. University director Bob Coltrane, left, presented Jim with an Atari home video game.

Best Marketing

Four corporate stores have been recognized for their outstanding efforts in implementing the marketing strategies and programs in 1982. The following are nominees for the annual marketing award:

Hayward, California
Garden Grove (Harbor Blvd.), California
Plantation, Florida
Dallas (Walnut Hill), Texas

The following group coordinators have also been recognized for outstanding results in increasing sales in their stores from April through September 1, 1982:

Kathy Favel - Dallas (Walnut Hill), Texas
Rhonda Kaminsky - Plantation, Florida
Bonnie Mezyk - Garden Grove (Harbor Blvd.), California
Judy Wehle - Cupertino, California

Annual Report Wins Honors

Pizza Time Theatre's first annual report has gained recognition from a variety of sources. It won a merit award in Financial World Magazine's 42nd Annual Report Survey. The Financial World survey judges annual reports on information primarily of interest to the shareholders and on details of special interest to security analysts. The review also seeks evidence of imaginative compliance with Securities and Exchange Commission rules for annual reports.

The annual report won first place in the Gertrude B. Murphy Creative Awards Competition sponsored by the San Jose Ad Club, and also received the Potlatch/Northwest Paper award of excellence for creativity. It has been selected as a semi-finalist in the Echo awards competition.

Chuck E.'s Champions



Congratulations to the following cashiers and bartenders who are winners in the Chuck E.'s Champions "suggestive selling" program:

California

Modesto - Jack Endris, Tammy Peters
Huntington Beach - Brian Dixon, Louise Griffith
La Habra - Kathy Clifford
Riverside (Hole Ave.) - Steve Allaire
El Monte - Ralph Dayton
Garden Grove (Harbor Blvd.) - Shelly Pierson

Texas

Eulless - Christine Demopoulous, Mike Howard
Fort Worth (Jacksboro) - Janet Bartholomew, Paula Powell

Florida

Jacksonville - Kathy Danner, James Elrod
Tampa (Fowler) - Lori Kaprowski, Shelly LaVatto

Run in conjunction with Coca-Cola, Chuck E.'s Champions is an incentive program for cashiers and bartenders. The goal of the program is to increase sales in the stores by suggesting additional items to customers at the time of purchase. Quarterly prizes of \$100 and a case of coke are awarded to the most successful cashier and bartender in each district.

Operations Outlook

by John Scott, executive vice president of operations.

In 1982, Year of the Store Manager, franchise and company stores alike have focused on the most important part of the Pizza Time family - our store level personnel. We have been working continually to strengthen day-to-day operations. In order to achieve this goal, we have improved our training programs, increased the tenure and professionalism of our managers, emphasized the nuts and bolts of store operations, and last, but not least, provided greater incentives and recognition of store personnel.

It is with great pleasure that I recognize 17 general managers for their outstanding achievements and contributions to the Pizza Time Theatre system.

The "Managers of the Year" are:

Ron Bigley - Blaine, Minnesota
Larry Brangero - Pico Rivera, California
Jerry Davison - Riverside (Chicago Ave.), California
Joe Fisher - Garden Grove (Harbor), California
Beverly Giberson - Federal Way, Washington
Dale Gilman - San Jose (Winchester), California
Scott Hartman - Loves Park, Illinois

Jerome Johnson - Dallas (Walnut Hill), Texas
Fran Maun - Waterbury, Connecticut
Scott Nelson - Hayward, California
Gary Oreglia - Modesto, California
Bob Peterson - Hampton, Virginia
Ron Sasko - Jacksonville, Florida
Craig Schade - Monroeville, Pennsylvania
Ed Sewell - San Antonio (Military Dr.), Texas
Louise Walker - National City, California
Wally Willon - Lake Worth, Florida

These managers were evaluated on various criteria including food and labor cost performance; personnel development in the store; customer interaction; community involvement, local promotion, and marketing; and length of service (only those with at least six months service as general managers were considered).

Not only have these people done all the big things well, they have done the little things extremely well, too. And that's the key to a successful business. Congratulations to these outstanding members of the Pizza Time family.

Chuck E.'s Pride Awards



Franchised by ETR, Inc., the Columbus, Ohio, Pizza Time Theatre at 5842 Columbus Square won the second quarter Chuck E.'s Pride Award for outstanding operations. Shown here with the award are (clockwise from upper left) Jim Musgrove, PTT district director; Cory Roth, vice president of ETR; Jim Cotts, store manager; Terry Rice, employee of the month; and Dale Wayland, district manager.



The San Antonio Pizza Time Theatre on Military Drive was the corporate store winner of the second quarter Chuck E.'s Pride Award. Ed Sewell is the general manager, with Fernando Mendez and Hazel Wills store managers.

Bushnell Appointed To National Council

Nolan Bushnell, chairman of Pizza Time Theatre, recently received a presidential appointment to serve on the National Advisory Council for Vocational Education.

The council is made up leading representatives of U.S. business, industry and education. Bushnell, who represents new and emerging occupational fields, will be helping create a national training strategy for America's technological needs over the next two decades.

Bushnell feels that vocational education has been aimed at training people for jobs in obsolete industries. He says "We need to direct our energies toward job training for industries of the future, and to provide leadership in looking toward our needs for the year 2,000."

The 21-member council meets four times a year in Washington, D.C.

Food Standards Department



Pictured in the San Jose test kitchen are, left to right, Alyce Birdsall, Linda Sako, Jeanie Sorensen, Jan McGalliard and Susan Bridwell.

The Food Standards Department has grown this year with the addition of several new people.

Jeanie Sorensen recently joined Pizza Time as product research and development manager. Based at the San Jose, California, test kitchen, she'll coordinate development and introduction of new products and menu concepts. Jeanie formerly was in product development as a project leader with Jack-In-The-Box.

Also joining this year is Jan McGalliard, food purchasing coordinator. Jan, who is responsible for pricing analysis with food manufacturers, is project leader for a number of in-store product tests. She also coordinated the new birthday cake project.

Alyce Birdsall, the new associate buyer, has responsibility for purchasing utensils, uniforms and

other small-ware packages for corporate store openings.

Jeanie, Jan and Alyce report to Linda Sako, director of food standards and purchasing. Linda coordinates Pizza Time's national contracts and food distribution programs for both corporate and franchise stores, plus all company store food purchases. Her job also includes maintaining product specifications, coordinating regionalized products and procedures, and food quality control.



Susan Bridwell, the department secretary, helps keep the Food Standards Department running smoothly. She's been with Pizza Time one year.

Group Coordinator Builds Spirit



Amy Uhl, group coordinator at the Riverside, Calif., Chicago Avenue Pizza Time Theatre, has something everyone should have: endless enthusiasm and an optimistic outlook on life.

Amy began with Pizza Time earlier this year as a game room attendant and then bar attendant, finally becoming the group coordinator in early August. "I love being a group coordinator. It gives me a chance to talk to a lot of different people and, with the characters, make people smile and have fun."

Amy has been doing four or five character appearances a week at a variety of places, including a local park's scaled down train that Chuck E. rode, waving to everyone. "Kids love Chuck E. Cheese. He's funny and fun to be around."

When out on character appearances, Amy takes along music the characters can act out. She has developed skits for Chuck E. and

the Pizza Time Players which stress good eating and dental habits. "That really makes the teachers and parents like Chuck E. Cheese."

Amy's been giving 10 to 15 tours a week. At the end of each tour, she asks the kids questions about the store, awarding tokens for correct answers. "It's really a lot of fun. Even the adults start raising their hands!"

Amy has been building sales for her store by sending letters to the presidents of clubs and organizations, then following up with a phone call and an invitation to visit the store. She's also helped raise funds for a local boys club, taken the characters to a nearby Air Force base's child care and youth center, and passed out coded Chuck E. Bucks at every game of the store-sponsored football and soccer teams.



Amy is grateful to store manager Jerry Davidson for the support he's given her as group coordinator. "A good manager is really inspiring." And so is a smile, which is part of Amy's philosophy toward the guests who visit her Pizza Time Theatre: "If you see someone without a smile, give him yours!"

New Markets For Company Stores

Pizza Time Theatre, Inc. recently won approval for a use permit in Marin County, California. Construction on the new store, located in the Marinwood Plaza Shopping Center adjacent to Highway 101 will begin later in the year.

"We are very pleased to be able to go into Marin County," said Gene Landrum, senior vice president of development. "Marin has very high standards in commercial development, and we feel that

their approval of Chuck E. Cheese's conditional use permit is a trend-setting decision."

There are currently 75 signed leases for development of company stores in 11 states. These include units in West Palm Beach, Florida; Wilkes Barre, Pennsylvania; Victorville, California; and Irving, Texas. In addition, there are other projected units for 1983, nine in Connecticut and five each in Pennsylvania and West Virginia.

Phil Stewart - Product Specialist



Getting the Pizza Time Players to the show on time is the responsibility of Phil Stewart. As the Cyberamics Field Services product specialist, Phil is in charge

of scheduling and supervising the installation of Chuck E. Cheese and the other characters in all new Pizza Time Theatres, both franchise and company. He is also

responsible for installing new animation in established units, guest character rotation and installation of order call-out systems.

In addition, Phil acts as a contact for field techs with engineering and manufacturing on any design suggestions. One of his projects, now being field tested, is a mount modification for "The King" which was suggested by Ken Lewis of the Loves Park, Illinois, store. It allows smoother body movements and better reliability.

Phil joined Pizza Time as the company's animation installer in September 1979 after four years with Atari as a field tech. Starting with the Huntington Beach, California, unit in October of that year, he eventually did the Cyberamic installations in 50 Pizza Time Theatres, including Charley Cheese's Pizza Play House in Australia.

An installation takes three to five days to finish and is one of

the last items to be completed before a Pizza Time Theatre opens. Because of this, Phil sometimes has to send his installers - Jac-Rene Park, Lloyd Turnbull, Rob Hudson and Roy Moreno - in just days before the unit opens, to insure that the Pizza Time Players will be "on stage" for the opening night crowd.

Phil has also set up a 24-hour hotline for store techs to help handle any problems they may have with the Cyberamics. "The important thing is to keep the system up," Phil emphasizes. "It may seem like some people aren't paying attention to the skits, but if it's not working those same people are the first to complain."

When Phil isn't working with the Pizza Time Players, he can be found tinkering with his classic 1962 Porsche 356 roadster or enjoying vintage music from the 1958 Seeburg model 161 jukebox he keeps in his office. Phil reports to Jerry Meyer, director of Technical Operations.

Chuck E. Cheese Goes To Hong Kong



Chuck E. Cheese is going to Hong Kong to open the first Pizza Time Theatre in the Far East. Franchised by Whimsy Co., Ltd. of Hong Kong, the new unit is scheduled to open the end of 1982 in the commercial area of Kowloon.

Whimsy Co., Ltd. has exclusive franchise development rights for Hong Kong Island, Macao, Kowloon and the New Territories. Whimsy partner Augustine Chow, formerly with Brunswick International, has overall management responsibilities for the new Pizza Time Theatre in Hong Kong. The other franchise partners are P. Morais, real estate developers in Hong Kong, and Robert Go, a Hong Kong industrialist with extensive business interests in Asia.

Canadian Subsidiary

Pizza Time Theatre has announced the formation of a Canadian subsidiary, Chuck E. Cheese's Pizza Time Theatre Limited. Headquartered in Toronto, Canada, the new organization will be under the leadership of C.T. "Chuck" Finlay, managing director.

Finlay has an extensive background in real estate development in the food service industry in Canada. Formerly president of Uncle John's Family Restaurants Ltd., he has also been in management positions with Robin Hood Multi Foods and McDonald's Restaurants of Canada.

"We're looking forward to bringing Chuck E. Cheese's Pizza Time Theatres to major population areas throughout Canada," said Jack Campbell, vice president-international for Pizza Time Theatre, Inc. "We expect Chuck E. Cheese to be as popular with Canadian children and families as he is with their American counterparts."

TDLA's Signed



A Territorial Development Letter of Agreement has been signed with Bill Gibson for development in Puerto Rico. Mirada Corporation, franchisee for the Minnesota stores, has signed TDLA's for two units in western Wisconsin.

Family Entertainment Centers, Inc. has signed TDLA's for two units in Delaware. Family Entertainment currently owns and operates stores in California, Maryland and Virginia.

Franchise News



Gus Chow, a principal with the Hong Kong franchise, is congratulated by Jack Campbell, left, vice president-international, and Don Marks, vice president of franchising. The Hong Kong Pizza Time is scheduled to open by year end.



Sam Hamra, president of HAV Pizza Inc., addresses the crowd at the opening of the St. Peters, Mo., store.



Fundamental Five Promotional Strategies

Pizza Time Theatre's "fundamental four" promotional strategies to increase sales in the stores have been expanded to the "fundamental five." In order of priority these areas are:

1. Group sales
2. Suggestive selling
3. Birthday parties
4. Fund raisers
5. Group tours

Store managers, district directors, and group coordinators throughout the Pizza Time system are working to emphasize these programs in their stores. If franchise owners or managers have had notable success in any of these areas, please send your ideas to franchise marketing manager, Don Schulte, at the corporate offices.

Trade Shows

The AMOA show highlights the latest development in video games, arcade games and jukeboxes. It will be held at the Chicago Hyatt Regency Hotel at 151 East Wacker Drive.

The IAAPA exhibits outdoor amusement equipment, special attractions (such as ball crawls and bounce floors), souvenir



Chuck E. Cheese In France

Aziz Alaoui has been named managing director for Pizza Time Theatre in France. Alaoui will be responsible for opening and operating a store, with a joint venture partner, in the Parisienne market the second quarter of 1983.

Alaoui, formerly with the Paris-based restaurant chain, L'Assiette au Boeuf, has recently completed eight weeks of orientation and training at the corporate headquarters.

The Company plans to begin a major franchise effort in Europe in 1983.

Franchise Units Open

Twenty new franchise stores opened in the last quarter. Family Entertainment Centers, Inc. opened five new stores; one in Essex, Maryland and four in Virginia. The Virginia units are located in Baileys Crossroads, Richmond, Burke, and Alexandria.

Pizza Theatres Management, Inc. opened their second store in El Paso, Texas in August. Family Entertainment, Inc. opened another Kentucky location in Louisville in July. Dick Ciaccio opened a new store in Jackson, Mississippi in August.

Showtime Services, Inc. opened a new site in Philadelphia, Pennsylvania in August. ETR, Inc. opened three new stores, one in Houston, Texas, one in Atlanta, Georgia, and another in Cincinnati, Ohio. Little Caesar Enterprises opened two new Michigan units, one in Southgate and one in Ferndale.

Pizza Concepts, Inc. opened their second store in Syracuse, New York in August. Profit Company Limited opened their first location in Honolulu, Hawaii in August. The Northwest Company opened their third store in the Seattle area and The Wendworth Company opened a unit in Manchester, New Hampshire.

In August, Animated Family Restaurant, Inc. opened their first store in Wayne, New Jersey, and Family Entertainment Centers of Wisconsin opened a second Milwaukee location.

novelty merchandise and animation. Pizza Time Theatre's game division will be showing Chuck E. Cheese Rolls at this show. It will be held at Bartle Hall, 301 W. 13th Street in Kansas City.

Pizza Time Theatre will have a hospitality suite at each show for franchise owners who are attending the meeting.



Chuck E. Cheese Computer Program

Chuck E. Cheese's quest for national computer literacy begins in October with a program offering schools the opportunity to earn a computer through their local Pizza Time Theatres. Pizza Time has a commitment from four leading computer manufacturers to make their computers available to the program at a discount of approximately 50%. Schools can earn the balance of the cost of a computer by participating in the **Chuck E. Cheese Computer program**. The fund raising methods available to the schools include the following:

- holding a Computer Night in any participating Pizza Time Theatre and taking home a percentage of the food and beverage receipts over a predetermined amount.
- selling Chuck E. Cheese Computer Bucks, good for tokens, as a profit-maker.

Marketing Promotions



- adding an additional \$1 credit for the computer with EACH purchase of \$20 or more by the school group at a Pizza Time Theatre for 30 days before AND after a Computer Night.

Posters, information packets, and other materials were shipped to participating stores the end of September. Group coordinators are currently in the process of distributing the computer program information to schools in their areas.

1983 Calendar Promotion



The 1983 Calendar

The theme of the 1983 calendar is "Backstage at Chuck E. Cheese's." Each month will feature a behind-the-scenes look at different aspects of Pizza Time Theatre with "funfacts" and copy explaining each scene. For the user's convenience, the 1983 calendar will include two extra months — December 1982 and January 1984.

In addition, the new calendar and its coupons contain no references to 1983 marketing promotions so that stores not participating in all the promotions may use the calendar.

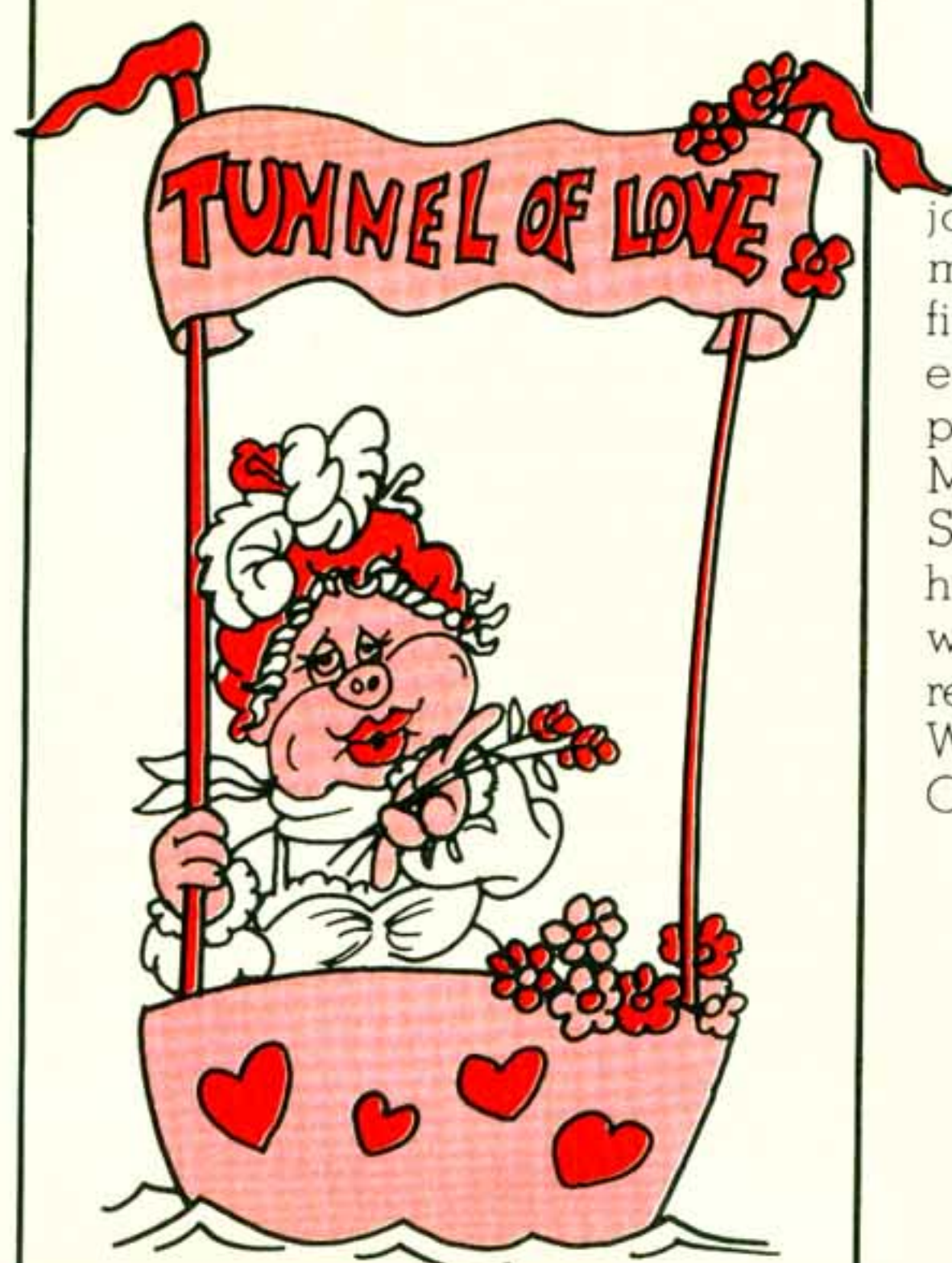
Direct mail holiday cards from Chuck E. Cheese will offer the calendar with the purchase of a large pizza and salad. In-store coupons and point-of-purchase posters will also support the promotion.

Heeeeeeere's Johnny and Chuck E.!



Heeeeeeere's Johnny and Chuck E.! The two popular celebrities met in July at an annual client appreciation luncheon hosted by the Carson Broadcasting Corporation's local television station, KVVU, in Las Vegas, Nevada.

What's Coming Up In Entertainment



Madame Oink takes a tour around the world in the new "Tunnel of Love" show soon to appear in Pizza Time Theatres. The skits illustrate how "love makes the world go 'round'" through musical themes from different countries. Also included in the "Tunnel of Love" show are three new birthday skits guaranteed to give excitement to any kid's special day.

Recording Studio Opens

In other animation news, a new fully equipped eight track recording studio recently opened at the corporate offices. Designed by Mike Hatcher and James Barnes, the studio will be used to record all the voices for the Pizza Time Players, and for special projects.

New Animator

Animator Jeff Risk has recently joined the animation/entertainment department. Jeff comes with fifteen years experience in the entertainment business. He has performed in TV shows with Ann Margaret, Juliet Prowse, Telly Sevalas, and Johnny Mathis. He has also studied mime in Paris with Marcel Marceau. Jeff is currently teaching acting/mime at West Valley College in the Santa Clara Valley.



New Characters

Chuck E. Cheese is auditioning a new character for the Pizza Time Theatre cabaret show. She is a bubbly, pink elephant, formerly with a touring circus company. Her stage name will be announced soon. A new lounge act featuring popular "surfing" music of the sixties is also in the works. Fans can recognize the "Beach Bowzers" by their blond hair, surf boards and huarachi sandals.

New Procedures Speed Shipping



Pictured in the distribution center, left to right: Brooks Wald, Paula Bozinovich, Kathy Neville, Roy Scellato and Jackie Smith.

Keeping more than 165 Pizza Time Theatres supplied with everything from birthday fliers to children's rides is one of the jobs of the Materials Department. Each day over 75 orders are processed and shipped to Pizza Times across the country.

Meeting store deadlines with shipments is a vital part of successful operations. Roy Scellato, materials manager, has been working with his department to eliminate delays in filling and shipping sales orders; and in decreasing transit costs. "We're proud of the fact that we've reduced the average time an order takes to complete from 14 days to only three."

In order entry, supervisor Jackie Smith is responsible for logging orders into the system and seeing that there are no delays in shipping orders out. Jackie has started using an order entry log to identify orders that aren't moving fast enough. In addition, a person in the auditing area is responsible for seeing that back-ordered shipments to new stores are given priority attention. Auditing now has three people making sure orders are accurately filled.

Jackie has also begun working with an experimental call-in system for the Florida stores. Since orders are no longer mailed in, turnaround time is expected to be reduced. Orders are being combined to reduce shipping cost. If the system proves successful it will be implemented in other areas of the country.

Kathy Neville, the order entry coordinator, acts as a liason between the distribution center and the stores. She handles sales order problems and can also give the status of outstanding orders.

The distribution center, under the supervision of Brooks Wald, has been reorganized for faster material withdrawal and fewer errors. "We now have 98 percent accuracy in shipped orders," according to Roy. "The paperwork that goes out with a shipment matches what's requested in the order."

Paula Bozinovich, traffic manager, contacts freight carriers, makes sure goods are shipped quickly, and traces shipments if the need arises. Since joining Pizza Time in January, Paula has reduced outbound freight costs 40 percent by negotiating a contract with North American Van Lines, evaluating air forwarders in the area for the lowest cost, and by using new packaging for shipments.

To help reduce damage in transit, shrink-wrap packaging is being used to protect the boxes enroute. Air freight orders are also being shipped in larger, single boxes instead of numerous, different-sized ones which cost more to ship.

Another change in the distribution center is that one person, Sam Brown, now has sole responsibility for seeing that promotional material gets to the stores, thus assuring every Pizza Time Theatre a good supply of premium items by the start of each promotion.



The Santa Maria, California, Pizza Time Theatre sent Chuck E. to nearby Vandenberg Air Force Base to entertain at their Annual Heritage Days Celebration.



"General Hospital" star Demi Moore visited the Huntington Beach Pizza Time Theatre to meet Chuck E. and play Zaxxon.



Munch tries his luck on a mechanical bull at the Illinois State Fair.



Chuck E. shows his skill behind the wheel in Loves Park, Illinois.

The **Concord, California** PTT dramatically increased membership in its corporate fan club by offering every employee two free tickets to the concert of their choice if they signed up 75 corporate members. **San Jose, Tully Road** featured a Grad Family Fun Week in June with a \$2 discount off any large pizza plus 10 free tokens to all grads that brought in a special flyer. In **Waterbury, Connecticut**, the city paper sponsored four Pizza Time parties for their carriers, with 175 paperboys in each party. The **Raleigh, North Carolina**, store supplied a local real estate company with Chuck E. Bucks to include with their monthly newsletter.

In **Tucson**, a bowling alley sponsored a "Beat Chuck E. Cheese" bowling contest for kids. If youngsters beat the "Big C's"

Starring the Stores



Chuck E. came up from the Sunnyvale Pizza Time to film a commercial with Joe Rudi of the Oakland A's for television.



The New York stores sponsored the San Diego Chicken to join the PTT and entertain fans at professional sports events.



Chuck E. studies the route map with participants in the March of Dimes Walk America fund-raiser in Concord, Calif.



Under a giant paper mache' head of Mayor Dianne Feinstein, Chuck E. greets young visitors to the San Francisco County Fair.

State news, the **Dallas-Walnut Hill** store sent Chuck E. to a tennis camp where he received the "Super Camper" award from the delighted kids.

In **Minnesota**, the **New Hope** store sponsored the 1982 Independence Day fireworks celebration and had Chuck E. hosting a fan club booth. In **Burnsville**, the "Big C" is sponsoring the first annual Chuck E. Cheese-Burnsville Soccer Invitational.

The **Clearwater, Florida**, Pizza Time had a group party for a local hospital with over 3,000 employees. The group had so much fun they booked two additional dates so more employees could enjoy Pizza Time. The events ran from 5 to 9 p.m., with free tokens during that time. In August, 300



National City had Chuck E. in a July 4th parade with Breehan Burns, the little boy in the Velveeta Cheese commercial.



Chuck E. and friends walked five miles in 100° heat in the La Habra, California Corn Festival, but won the First place trophy.



Chuck E. and Jasper greet the crowd at the Plantation, Fla., Fourth of July parade.



National City, California's Chuck E. Cheese and his new friend Weiner Dog, entertain kids at the Jaycees Annual Kids Day.

people from a brokerage firm came in four chartered buses and had a great time. From 7:30 to 10:30 p.m. they spent over \$2,500 on food and tokens.

In the bayou country, Chuck E., Jasper and Munch from the **Shreveport, Louisiana**, store attended the "Tournament of Champions" water ski competition, which was filmed for the ESPN cable network. The **San Diego, California**, Pizza Time has a Chuck E. Cheese T-shirt Day every Monday. Kids wearing a Chuck E. shirt get five free tokens and a small soft drink.

In **Brandon, Florida**, the characters walked a mile and a half in 90-degree heat in the local Fourth of July parade. In August the store had a private party for a church



Chuck E. and Jasper tried limbo roller skating in Boulder, Colorado.



Chuck E. gets a little exercise in the Ann Arbor, Michigan Memorial Day Parade.



The "Big C" played a few rounds at a tennis camp in Dallas-Walnut Hill.



The little league team sponsored by the Middleburg Heights, Ohio, store shows off their Chuck E. Cheese uniforms.

group from 11:30 p.m. to 2:30 a.m. The event was announced during the weekly broadcast of the church's television sermon and 600 members of the congregation turned out.

Elsewhere in the Sunshine State, the Tampa store has been involved with local recreation centers, co-promoting and attending special events. In Winter Park, parishioners bringing in their church bulletin on Sunday get an additional 28 tokens with their food purchase. If they bring their pastor, he'll receive 56 tokens to distribute as he wishes.

Boise, Idaho, reports Chuck E. has been busy attending the Special Olympics and the Miridian Speedway, where he's sponsored a race car and has presented trophies. In Springfield, Illinois,

1,800 kids signed up for the fan club at booths the store had at two county fairs.

In neighboring Wisconsin, the West Allis store hosted a party for 400 children of employees of the Mutual Life Insurance Company. In Ogden, Utah, Chuck E. appeared at a back-to-school fashion show at a local department store, passing out Chuck E. Bucks and free slices of Pizza.

The Fremont, California, Pizza Time attended a semi professional football game, with Chuck E. and Munch throwing 500 frisbees into the stands. At Hampton, Virginia, Chuck E. appeared at Fort Eustis Army Post's 40th birthday celebration.

The St. Peters, Missouri, Pizza Time has been checking with the



Chuck E. got to meet his fans at the Oakland A's Kid's Club game in July.



Chuck E. delivers baskets of goodies to hospital patients in Pontiac, Michigan.



Actor John Widelock, the voice of Chuck E. Cheese, tries out the new recording studio with the "Big C."



Actor Dennis Weaver ("McCloud"), Grand Marshall at the Salinas, California, rodeo, and Chuck E. Cheese greet muscular dystrophy poster child Addam Cain.



The El Monte, California, store helped raise \$40,000 for Eddie Batres, who was hit and paralyzed while aiding an injured motorist on the highway.

different parks in their area to find out when ball games are scheduled. Chuck E. appears as a cheerleader at these events. They also get a list from the chamber of commerce of upcoming events and keep a card file for each month. Chuck E. has also visited several schools to assist the police department with their safety programs.

In Beaverton, Oregon, the Pizza Time Players continue to make weekly appearances on a local children's TV show, giving a gift and Chuck E. Bucks to the kids in the studio audience. In August, Chuck E. made appearances at a local store for a Lee jeans promotion. Chuck E. Bucks were given with each purchase and drawings were held for birthday parties.

In Monroeville, Pennsylvania, Captain Pitt, a children's TV show host, visited at Pizza Time for three hours passing out autographed pictures. Jasper won four blue ribbons when he appeared at a Ken-L-Ration dog show: best groomed, funniest dog, largest dog and best behaved! The store also sponsored two miniature golf tournaments for kids 12 and under, with all proceeds going to the Children's Hospital of Pittsburgh. By the end of August, they'd done more than 175 character appearances this year.

The Albuquerque, New Mexico, store sends Chuck E. and Jasper to the local children's hospital and out-patient clinic every Thursday for a visit. They've also had two fund-raisers for the hospital, the first collecting almost \$1,000.